

DECISION



**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D. C. 20548

FILE: B-184862

DATE: September 25, 1975

MATTER OF: F. Schwartz

DIGEST:

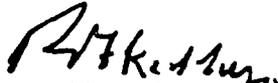
Allegation by contractor regarding validity of notices of default upon which liquidated damages were assessed, is matter for resolution by the contracting parties under the contractual "Disputes" procedure and is not for consideration by GAO.

F. Schwartz in a letter to our Office disputes the validity of two notices of default issued by the Defense Supply Agency's Defense Property Disposal Region Office, Ogden, Utah, upon which the contractor was assessed liquidated damages in the amount of 20 percent of the price of each of his two contracts (contract Nos. 41-5492-091 and 41-5525-026).

F. Schwartz challenges the validity of said notices of default on the ground that they were not properly served. Specifically, the contractor alleges that while both notices were sent by certified mail, return receipt requested, neither notice was delivered to or signed by him, but was in fact delivered to a third person not identified on the face of the envelope.

The propriety of a default termination must be resolved by the contracting parties pursuant to the Disputes clause of the contract and is not a matter for resolution by our Office. Ampex Corporation, 53 Comp. Gen. 572(1974), 74-1 CPD 58; Dun-Well Janitorial Co., Inc., B-183145, February 25, 1975, 75-1 CPD 114. Further, any question F. Schwartz may have regarding the propriety of the assessment of liquidated damages, following its default also is a matter for resolution under the Disputes procedure.

Accordingly, we are unable to take any action on this matter and are closing our file.


Deputy Comptroller General
of the United States